

# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

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May 31, 2011

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

**Dear Supervisors:** 

DEPARTMENT OF PUBLIC WORKS:
JOB ORDER CONTRACTS FOR MAINTENANCE, REPAIR,
AND REFURBISHMENT OF COUNTY
INFRASTRUCTURE AND FACILITIES
AWARD JOB ORDER CONTRACTS
SPECIFICATIONS VARIOUS
(ALL DISTRICTS) (3 VOTES)

#### **SUBJECT**

This action will authorize awarding Job Order Contracts 1033, 1035, and 1037 to the Lowest Responsive and Responsible Bidders.

#### IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that the award of Job Order Contracts 1033, 1035, and 1037 are exempt from the California Environmental Quality Act.
- 2. Find the first lowest bid for Job Order Contract 1033, submitted by Mackone Development, Inc., to be nonresponsive as discussed in this Board letter.
- 3. Award Job Order Contract 1033 to MTM Construction, Inc., the Lowest Responsive and Responsible Bidder, in the amount of \$4.2 million.

"To Enrich Lives Through Effective And Caring Service"

- 4. Find the first lowest bid for Job Order Contract 1035, submitted by Access Pacific, Inc., to be nonresponsive as discussed in this Board letter.
- 5. Award Job Order Contract 1035 to MTM Construction, Inc., the Lowest Responsive and Responsible Bidder, in the amount of \$1 million.
- 6. Find the lowest bid for Job Order Contract 1037, submitted by Y&M Construction, Inc., to be nonresponsive as discussed in this Board letter.
- 7. Award Job Order Contract 1037 to C.T. Georgiou Painting Company, the Lowest Responsive and Responsible Bidder, in the amount of \$1 million.
- 8. Authorize the Director of Public Works, or her designee, to execute the Job Order Contracts in the form previously approved by County Counsel, and establish the effective date following receipt of approved Faithful Performance and Labor and Materials Bonds filed by the contractors.

# ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT

9. Delegate authority to the Director of Public Works, or her designee, to act on behalf of the Los Angeles County Flood Control District to issue work orders to the selected contractors subject to the terms and limitations of the Job Order Contracts upon receipt of funding authorization from the Chief Executive Office or the appropriate funding authorization to carry out maintenance, repair, remodeling, and refurbishment work for the Los Angeles County Flood Control District.

# **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

# Background

The purpose of the recommended actions is to reject the nonresponsive bids for Job Order Contracts (JOCs) 1033, 1035, and 1037, and award these JOCs to the next Lowest Responsive and Responsible Bidders. On December 7, 2010, your Board authorized the Director of Public Works, or her designee, to award five separate JOCs in the not-to-exceed amounts of \$4.2 million each, and award an additional four separate JOCs in the not-to-exceed amounts of \$1.0 million each to the Lowest Responsive and Responsible Bidders (see Facts and Provisions/Legal Requirements section for contracting definitions and details) for work related to the maintenance, repair, and refurbishment of County infrastructure and facilities.

Public Works' JOC program includes contracts with large construction firms with authorized capacity of \$4.2 million for large refurbishment projects, and in an effort to increase the participation of small construction firms in the bidding process, the program also includes contracts with authorized capacity of \$1.0 million for smaller refurbishment projects.

On November 8, 15, 22, and 29, 2010, the Department of Public Works (Public Works) opened bids for JOCs 1030 through 1038. After a review of the bid documents received for each of the nine JOCs, Public Works noted deficiencies and errors on the apparent lowest bids for JOCs 1033, 1035, and 1037.

#### **JOC 1033**

On November 8, 2010, nine bids were received for JOC 1033. Mackone Development, Inc., and MTM Construction, Inc., tied as the apparent lowest bidder. After reviewing the submitted bids, Public Works found that Mackone Development, Inc., did not submit certain required documentation at the time of bid to demonstrate that its key personnel have experience on comparable hospital building projects under the jurisdictional review of the Office of State Health & Planning Development within the last 10 years, that its company holds an experience modification rate at/or below 1.2 for the three years prior to the bid and that the bidder's safety representative shall visit each Project site at least once per month. Because Mackone Development, Inc., failed to submit this required documentation, we recommend the rejection of their bid as nonresponsive.

Accordingly, we recommend awarding JOC 1033 to the second Lowest Responsive and Responsible Bidder, MTM Construction, Inc., who has complied with, and met, all of the bid requirements.

#### **JOC 1035**

On November 8, 2010, 16 bids were received for JOC 1035. After reviewing the submitted bids, Public Works found that Access Pacific, Inc., the apparent lowest bidder, failed to meet the bid requirements set forth in the Project Manual applicable to JOC 1035 requiring the bidder to provide bid pricing adjustment factors that comply with the specified criteria. Because Access Pacific, Inc., failed to meet the specified criteria, we recommend rejection of their bid as nonresponsive.

Accordingly, we recommend awarding JOC 1035 to the second Lowest Responsive and Responsible Bidder, MTM Construction, Inc., who has complied with, and met, all of the bid requirements.

#### **JOC 1037**

On November 22, 2010, 15 bids were received for JOC 1037. After reviewing the submitted bids, Public Works found that Y&M Construction, Inc., the apparent lowest bidder, failed to submit required documentation. Y&M Construction, Inc., did not submit Receipt of Notices to Bidders forms and failed to include the completed Industrial Safety Record and Insurance Requirements. In addition, Y&M Construction, Inc., failed to meet the bid requirements specified in the Project Manual applicable to JOC 1037 requiring the bidder to provide bid pricing adjustment factors that comply with the specified criteria. Because Y&M Construction, Inc., failed to submit this required documentation, we recommend the rejection of their bid as nonresponsive.

Accordingly, we recommend awarding JOC 1037 to the second Lowest Responsive and Responsible Bidder, C.T. Georgiou Painting Company, who has complied with, and met, all of the bid requirements.

#### Conclusion

In view of the above findings, we recommend that your Board find the bids submitted by Mackone Development, Inc.; Access Pacific, Inc.; and Y&M Construction, Inc., to be nonresponsive, and authorize the Director of Public Works, or her designee, to award and execute JOCs 1033 and 1035 to MTM Construction, Inc., and JOC 1037 to C.T. Georgiou Painting Company.

# Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) by increasing our ability to manage fluctuations in workload in a responsive manner and provide responsive, efficient, and high-quality public service.

### FISCAL IMPACT/FINANCING

There is no anticipated fiscal impact to the County as a result of the recommended actions. Maintenance, repair, remodeling, and refurbishment work will be financed through the appropriate capital, refurbishment, infrastructure, or Public Works funds. For capital projects and refurbishments, no work will be assigned to these JOCs without the prior review and funding verification from the Chief Executive Office (CEO) and the approval of the project scope and budget by your Board. For infrastructure and maintenance projects, no work will be assigned to these JOCs without the appropriate funding authorization.

Public Works will work with the CEO to quantify any administrative costs attributable to the Local Worker JOC Program and present any necessary budgetary recommendations to your Board for approval.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contracts will be in the form previously reviewed and approved by County Counsel. The recommended contracts, JOCs 1033, 1035, and 1037, have been solicited on an open competitive basis and in accordance with applicable Federal, State, and County requirements. The recommended contractors are in compliance with the CEO's and your Board's requirements.

Award of the JOC contracts will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contracts will contain terms and conditions supporting your Board's ordinances, policies, and programs, including, but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN/GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; and the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; Defaulted Property Tax Reduction Program, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation will be on file with Public Works. The contractors will be selected upon final analysis and consideration without regard to race, creed, color, or gender.

The State Public Contract Code requires the County to award construction contracts to the Lowest Responsive and Responsible Bidder, which is defined as the firm that: 1) submits the bid with the lowest cost; 2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and 3) is determined by the County to be a responsible bidder by demonstrating the attributes of trustworthiness, quality, fitness, capacity, and experience to satisfactorily perform the work required under the bid solicitation.

To ensure that the contracts are awarded to the lowest responsible bidders with a satisfactory history of performance, bidders will be required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractors' State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by the contractors will be considered before making a recommendation to award.

The General Conditions, Specifications, and Unit Price Books include the contractual provisions, methods, and material requirements necessary for this Project and are on file with Public Works.

# **Local Worker Hiring JOC Program**

Monitoring of the Local Worker JOC Program will be provided by Public Works' contract administration staff based on review of the JOC work site and individual labor hours in the local area to determine a percentage of hours worked by each of the specific work orders. The contractors will provide certified payroll records for labor forces. These records will be monitored by work order, hours worked, and zip code of the workers to establish the percentage of Local Worker JOC Program to your Board each year as part of its annual resolicitation for JOC contractors.

#### **ENVIRONMENTAL DOCUMENTATION**

The recommended actions are exempt from the California Environmental Quality Act (CEQA) because it can be seen with certainty that there is no possibility that approval of the projects may have a significant impact on the environment pursuant to Section 15061(b)(3) of the State CEQA Guidelines. The proposed projects are covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Your Board's approval of the JOCs does not include approval of the work done pursuant to the specific contracts. The implementation of each work order under these JOCs shall be subject to prior determination and documentation by Public Works that the work is categorically exempt from CEQA. In the event the work is not exempt, your Board will be requested to approve the appropriate environmental finding and any applicable documentation pursuant to CEQA prior to implementation of work orders under the contracts.

# **CONTRACTING PROCESS**

On October 19, 2010, using the JOC Unit Price Book and Specifications adopted by your Board on June 29, 2010, we issued a Request for Bids for a total of nine JOCs. Bids were due on November 8, 19, 22, and 29, 2010. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book and Specifications. Bids were determined by calculating a composite factor using a predetermined formula. The JOC Unit Price Book and contractors' adjustment factors will be incorporated in the awarded contracts.

As requested by your Board on February 3, 1998, the invitation for bids have been listed on the Doing Business with Us website. A copy of the website postings are attached for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contracts as these contracts are for non-Proposition A services.

Participation by Community Business Enterprises (CBE) in the Project is encouraged through Public Works' Capital Projects CBE Outreach Program and by monitoring the good faith efforts of bidders to utilize CBEs.

# **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The use of these contracts will expedite the completion of maintenance, repair, and refurbishment of County and Flood Control District infrastructure and facilities work managed by Public Works. Minor impacts to tenant departments may occur while maintenance, repair, and refurbishment work on such infrastructure and facilities is underway.

# **CONCLUSION**

Please return one adopted copy of this letter to the Chief Executive Office, Capital Projects Division; and the Department of Public Works, Architectural Engineering Division.

Respectfully submitted,

WILLIAM FUNIOKA Chief Executive Officer

WTF:RLR:DJT SW:RB:zu

Attachments

c: Executive Office, Board of Supervisors County Counsel Public Works

#### **Bid Detail Information**

Bid Number: JOC1030-1034

Bid Title: JOB ORDER CONTRACTS 1030 through 1034

Bid Type: Construction Department: Public Works

Commodity: BUILDING CONSTRUCTION SERVICE, NON-RESIDENTIAL (OFFICE BLDG., ETC.)

Open Date: 10/18/2010

Closing Date: 11/8/2010 10:45 AM

Bid Amount: \$4,200,000 Bid Download: Not Available

Bid Description: The work consists of a broad array of maintenance, repair, and refurbishment of County infrestructure

The work consists of a broad array of maintenance, repair, and refurbishment of County infrastructure and facilities projects under the direction of Public Works. Public Works will hold a mandatory pre-bid conference for all JOC bids at 2 p.m. on November 1, 2010, at 900 South Frement Avenue, Conference Room C, Alhambra, California 91803, to provide information on the JOC, bidding process and answer any questions that potential bidders may have. To be considered responsive to this invitation for bid, bidders must attend the mandatory pre-bid conference. Bids from bidders who do not attend the pre-bid conference be attended by a principal of the compnay or a person authorized to make decisions for the company.

The maximum dollar value of each contract is \$4,200,000.

JOC Specification Packets and Bid Forms are available for purchase at the Cashiers Office of Public

Works. Individual specification sets are \$15, or \$100 for all 9 sets.

Contact Name: Rosalinda Franco Contact Phone#: (626) 458-2534

Contact Email: rfranco@dow.lacounty.gov ast Changed On: 10/25/2010 4:17:29 PM

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#### **Bid Detail Information**

Bid Number: JOC1035-1038

Bid Title: JOB ORDER CONTRACTS 1035 through 1038

Bid Type: Construction Department: Public Works

Commodity: BUILDING CONSTRUCTION SERVICE, NON-RESIDENTIAL (OFFICE BLDG., ETC.)

Open Date: 10/18/2010

Closing Date: 11/8/2010 10:45 AM

Bid Amount: \$ 1,000,000 Bid Download: Not Available

Bid Description: The work consists of a broad array of maintenance, repair, and refurbishment of County infrastructure

The work consists of a broad array of maintenance, repair, and returbishment of County intrastructure and facilities projects under the direction of Public Works. Public Works will hold a mandatory pre-bid conference for all JOC bids at 2 p.m. on November 1, 2010, at 900 South Fremont Avenue, Conference Room C, Alhambra, California 91803, to provide information on the JOC, bidding process and answer any questions that potential bidders may have. To be considered responsive to this invitation for bid, bidders must attend the mandatory pre-bid conference. Bids from bidders who do not attend the pre-bid conference be attended by a principal of the company or a person authorized to make decisions for the company.

The maximum dollar value of each contract is \$1,000,000.

JOC Specification Packets and Bid Forms are available for purchase at the Cashiers Office of Public Works. Individual specification sets are \$15, or \$100 for all 9 sets.

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